Supreme Court of the United States

No.

OCTOBER TERM, 1941

J. B. SPENCER, ET ALS.

versus

LUCKENBACH GULF STEAMSHIP CO.
AND
SWAYNE & HOYT, LTD.

BRIEF IN SUPPORT OF PETITION FOR WRITS OF CERTIORARI AND REVIEW ON BEHALF OF PETITIONER.

It is a fundamental right that all citizens should have the right to contract and that for the breach of this contract they should be awarded damages.

The law of Louisiana contains the following:

ARTICLE 1934, REVISED CIVIL CODE:

> "Where the object of the contract is anything but the payment of money, damages due to the creditor for breach or the amount of loss he has sustained and the profit of which he has been deprived, under the following exceptions and modifications:
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> 2. When the inexecution of a contract had proceeded from fraud or bad faith, the debtor shall not only be liable to such damages as were, or might have been foreseen at the time of the making of the contract, but also to such as are the immediate and direct consequence of the breach of that contract; but even where there is fraud, the damages cannot exceed this."

The case at bar is a suit by a labor union, and also by the individual members thereof for damages growing out of the breach of a contract where two steamship companies without just cause, deliberately breached a contract which had been entered into between them and the petitioners. This contract was made under the auspices and guidance of the United States Labor Department and its Mediation Board.

The decision of the Supreme Court of Louisiana deprived these litigants of the rights to the benefit of the law above cited and is not only in violation of the State Constitution of Louisiana, Article 1, Section 6, which reads, as follows:

> "All courts shall be open, and every person for injury done him in his rights, lands, goods, person, or reputation shall have adequate remedy by due process of law and justice administered without denial, partiality or unreasonable delay."

But is also in violation of the Federal Constitution and particularly Article 1, Section 10, which among other things states the following:

> " * * * No state shall * * * pass any bill of attainder *expost facto* law, or law impairing the obligation of contracts" * * *.

It is also in violation of Amendment 14 of the Constitution of the United States, which guarantees equal protection of the laws to all citizens and due process of law to all citizens.

We can go back for many years to the famous *Dartmouth College* case (*Dartmouth College vs. Woodward*, 4 Wheat. 518) and find that this principle has been upheld through the years.

We cite the following:

> "All laws of whatever nature, which impair the obligation of contracts fall within the constitutional prohibitions". *Sturges v. Crownshield*, 4 Wheat. 122.
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> "The obligation of a contract, within the meaning of the Constitutional provisions against the impairment depends upon its terms and the means which the law in existence at the time

affords for its enforcement". *Murray v. Charleston*, 96 U. S. 432.

. . . . . .

"The obligation of a contract is the law which binds the parties to perform their agreement." *Home Building & Loan Association vs. Blaisdell*, 290 U. S. 398, 54 Sup. Ct. 231, 88 Alr. 1481.

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"A contract made valid by state laws as expounded by its courts cannot be impaired by any subsequent legislation, or decisions of its courts. *Gelpke v. Dubuque*, 1 Wall—175, 68 U. S. 175, also 70 U. S. 294.

"A contract valid when made cannot be impaired by an act of the legislature or by a court decision. *Chicago v. Sheldon*, 9 Wall. (76 U. S.) 50-19 Law Ed. 594.

We submit the Writ should be granted.

J. B. Spencer

J. B. SPENCER,
In Proper Person.

R. A. DOWLING,
Of Counsel.